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## **Palestinian Help and Outreach for Empowering Neighborhoods and Increasing Excellence Program (PHOENIX)**

Award No. 294-A-00-02-00232-00

### **Seventh Quarterly Report April 2004 – June 2004**

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*The photograph on the cover page shows youth volunteers in Hebron improving the look of their neighborhood through painting. USAID/CHF rehabilitated the street.*

# 1. Executive Summary

## 1.1 Overview

This is the seventh quarterly report submitted by CHF to USAID for the Palestinian Help and Outreach for Empowering Neighborhoods and Increasing Excellence (PHOENIX) program, implemented in the most impoverished areas of three cities – Gaza, Hebron, and Nablus. This report covers the period from April 2004 through June 2004.



Children in Hebron enjoy USAID/CHF summer camp activities which provide a constructive, fun, and educational alternative to spending idle time in the streets.

## 1.2 Program Goals and Objectives

The goal of the Phoenix program is (1) the creation of immediate, short- and mid-term employment for urban based sectors of Palestinian society which have been occupationally displaced through the implementation of labor-based activities, and (2) improvement of the environment and living conditions for some 65,000 Palestinians inhabiting severely disadvantaged and densely populated urban neighborhoods in the three main cities of Gaza and the West Bank, namely Gaza, Hebron and Nablus.

To achieve this goal, the specific objectives of PHOENIX are as follows:

- Improve and revitalize urban neighborhoods through improved quality of services and infrastructure;
- Improve the quality of life for Palestinians living in the program areas through upgrading and rehabilitating infrastructure and services;
- Create or sustain local employment through labor-based projects applying cost-efficient methods;
- Improve municipal services through enhancing management, maintenance, employment and cost recovery skills for infrastructure/service providers; and
- Increase local governance and community capacity by facilitating coordination and cooperation between area residents and the municipalities.

At the end of the program, PHOENIX will have achieved the following:

- rehabilitation of the habitat of approximately 65,000 Palestinians in the most neglected areas of the three largest cities in the West Bank and Gaza;
- creation of safer and healthier living conditions for over 9,000 households;
- installation of a new water supply network for over one thousand homes and establishments;

- removal of illegal water network connections;
- creation of over 500 household connections to existing sewage collection networks;
- initiation of substantial improvements to the overall environment and appearance of severely disadvantaged neighborhoods;
- elimination of sewage flooding, thus significantly reducing the amount of disease carrying insects and rodents in the area and helping to facilitate the proper collection of sewage at the pump station for transfer to treatment plants;
- removal of septic tanks, thus eliminating the seepage of sewage into the underground water aquifer;
- reduction of water leaks and illegal house connections, thus making available extra quantities of water to residents for general and hygienic use;
- paving of roads, thus greatly reducing nuisances caused by excessive dust in summer and mud in winter;
- upgrading of unpaved roads and streets, thus facilitating commercial and private traffic and enabling the collection of solid waste in areas where this service was previously unavailable;
- removal and replacement of rusted and broken water pipes, thus greatly reducing water contamination due to the ingress of gray or sewage water into the system;
- removal and replacement of asbestos pipes, thus eliminating current exposure to carcinogens from this source;
- planting of trees and greenery along sidewalks and public areas, thus beautifying and greening ever-expanding urban neighborhoods;
- facilitation of streetlight installation, thus improving public security and safety;
- construction or upgrading of playgrounds for children, thus providing women and children with increased recreational opportunities;
- rehabilitation of youth and women's centers, thus providing women and children with increased educational and recreational opportunities;
- improvements to educational spaces;
- facilitation of improved access to telephone and electricity networks by the private sector;
- generation of over 116,000 employment days, the equivalent of over 4,460 employment months or over 370 employment years;
- enhancement of management, maintenance, employment, and cost recovery skills for infrastructure and service providers;
- stimulation of coordination and cooperation between area residents and the municipalities;
- provision of training for men and women in the program area, both unemployed or working with service providers; and
- creation of a sense of ownership regarding services within target communities, using proven community participation methodologies, thus enhancing sustainability beyond the duration of program activities.

### **1.3 Program Interventions**

PHOENIX is a highly participatory neighborhood rehabilitation program designed to revitalize some of the most underdeveloped neighborhoods in the largest cities in the Palestinian Territories. The program aims to create, expand, and/or repair vital infrastructure in these three cities, thus building basic community services in underserved, neglected neighborhoods.

As an expansion of the existing Community Services Program, PHOENIX is unique in its approach in that it draws on CHF's successful CRSP and VSP methodology of mobilizing communities in rural areas to directly assist municipalities, local NGOs, and CHF in the upgrading of their habitat. The

decision to target urban areas under PHOENIX was due to the recognition that in declining economies, poor urban areas are often as needy and neglected as rural ones. The social and food security nets in the urban areas targeted under PHOENIX have almost disappeared as unemployment and poverty rates have risen dramatically in the past three years.

Gaza City, Hebron and Nablus are large, densely populated Palestinian cities and highly lacking in basic infrastructure. The particular urban neighborhoods targeted under PHOENIX are among the most impoverished and neglected ones in the three cities; CHF and the relevant municipalities together identified these neighborhoods based on existing data and new research conducted by program staff. The most pressing infrastructure and service needs were jointly identified based on the municipality's knowledge of the area, USAID's guidance regarding necessary developments, and CHF's worldwide expertise in the development of communities, habitat, and finance.

In Gaza, CHF assessed in 2000 that Al Zarqa neighborhood lacks major infrastructure in most areas, particularly with regard to residential streets. CHF/USAID is paving roads, constructing and expanding the water and sewage networks, and preparing the streets for electricity connections. In addition, CHF/USAID works on improving community services in the area by upgrading schools, kindergartens, playgrounds, and youth centers, while providing public awareness and training.

In Hebron, CHF and the municipality jointly selected the four areas that most needed upgrades in water, sewage, and road infrastructure. CHF/USAID has been rehabilitating roads in areas where the municipality was completing sewage and water works. The Municipality participated in building the side walks along the CHF/USAID paved roads. In addition, CHF/USAID implements community projects to rehabilitate schools, upgrade women's and youth clubs and build playgrounds.

In Nablus, CHF and the municipality jointly selected Al Juneid, at the western side of the city, as an area that needed to be upgraded to facilitate the planned building of homes and expansion of the newly constructed university campus. CHF/USAID's work to link Al Juneid area to the municipal water system complements the municipality's activities in construction and overall development of the area, including road improvements and sewage network expansion. CHF/USAID also works to improve community services in Al Juneid through projects designed to upgrade kindergartens, a school, a women's center, and build a playground.

Integral to the program is the involvement of the community throughout the planning, implementation and evaluation processes. Adapting to urban settings its highly successful CSP model previously implemented in rural areas of the southern Gaza Strip, CHF conducts intensive, participatory work in the target communities, carrying out public awareness campaigns and community outreach activities. These activities foster open communication between CHF, its implementing partners, and the targeted communities in the spirit of cooperation, thus creating community ownership and pride in the projects completed.

At all stages and junctures of the program, CHF stresses USAID's role as donor and partner. Implementing partners in PHOENIX and local communities in which it works are constantly apprised of USAID's role, such that 100% of the adult beneficiaries are aware of USAID's involvement in the program.

## **1.4 Counterpart's Interventions**

The municipalities of Gaza City, Hebron and Nablus are PHOENIX's primary implementing partners. CHF and municipal staff jointly surveyed each city and assessed the needs of the most impoverished neighborhoods. All three municipalities have been successful in raising monies from national and international resources. More remarkable has been the amount they were willing to contribute to the PHOENIX program from their scarce municipal budgets. This level of commitment demonstrates unequivocally the priority the three municipalities assign to the joint programs with USAID and CHF.

Other PHOENIX implementing partners include the Palestinian Water Authority, line ministries such as the Ministries of Education and Health, schools and kindergartens, hospitals, UNDP, the newly formed community committees, other community representatives in each location, and private sector representatives.

## **1.5 Total Budget**

As proposed at the outset, the total value of the 24-month PHOENIX program will be at least \$6,988,485 of which USAID will provide \$4,820,459. The actual current value is \$5.8 million higher than the proposed amount to reach \$10,640,706 which is the result of higher matching contributions. The projects have a total value of \$9,250,388, where \$5,662,965 had been forecast, while the USAID input of \$3,494,939 remained the same. The program has leveraged over \$5,787,027 in additional resources from CHF's local implementing partners, instead of the \$2,168,026 that had been anticipated. This leveraged amount is calculated based upon US government guideline 22-CFR-226 and amounts to over 166% in matching contributions of USAID's input in projects. CHF's direct and indirect management costs are an estimated \$1,325,500 or 14% of the total program value.

## **1.6 Program Duration and Geographical Area**

The PHOENIX Program began in September, 2002 and will be financed under the current grant until September, 2004. The program targets deprived neighborhoods in the three largest cities in the Palestinian Territories: Gaza, Hebron and Nablus. In Gaza, PHOENIX works in Al Zarqa neighborhood, a poor, overcrowded neighborhood in the northern section of the city. In Hebron, activities are spread out over four mini-neighborhoods; Al Mahawer, Abu Kteila, Al Rameh and Town Center. In Nablus, PHOENIX is working in the Al Juneid area, located west of the city center.

# **2. Background on the Reporting Period**

This report covers activities from April 2004 to June 2004, and includes reporting on implementation of projects and coordination with local partners and communities.

CHF PHOENIX is basically on schedule with the work plan in all locations, with some delay in the Gaza infrastructure projects due to difficulties in importing construction materials through Karni Crossing. Details of project progress can be found in Section 3 of this report.

During this seventh quarter, PHOENIX staff worked to complete projects, both from the 2003 and 2004 work plans and to tender all remaining projects from the 2004 AIP. By the end of the period under review, 89 projects had been started up and a total of 59 projects had been completed (in comparison with 45 in the last quarter). The number of completed projects is four short of the number expected to have been completed by this time (63), as outlined in the work plan. This can be explained by the following: one project was canceled (LT-1120, Construction Playground Project) due to the Municipality's problems in securing the land, and six Gaza infrastructure projects were delayed by more than two months because of the border closures and the inability of contractors to import construction materials into Gaza.

As of June 30, 2004, 59 projects had been completed (25 in FY '03 and 34 in FY '04), and 30 projects had been initiated. Thus, the total number of projects started up by the end of June 2004, whether in-progress or fully completed, represents 100% of projects scheduled in the work plan for Year 1. CHF also started 37 of the 38 projects scheduled for implementation under the 2004 AIP (one project, LT-1120 was canceled as noted above). Thirty projects remain in progress per June 30, 2004, with nearly half of those at 60% completion or more. Though a relative delay was experienced in the Gaza projects due to material import problems, CHF does not expect difficulties in meeting the end of program deadline on September 30, 2004.

A total of 92 projects are planned over the two years of the PHOENIX program. 89 projects have been initiated (which includes completed and in-process projects). CHF requested USAID approval to implement three extra projects to expend a \$110,000 reserve fund which accumulated due to competitive bidding by contractors which lowered the USAID investments in projects.

The total value of the 89 completed and in-progress projects is \$9,107,168. USAID investment equals \$3,320,141. Of that, \$2,269,206 was in completed projects (which is 137% higher than the figure from the previous quarter, \$1,050,935 in projects in progress). The \$3,320,141 is basically in line with the annual implementation plan submitted to USAID in December, 2003. According to the plan, the PHOENIX program was to have spent a total of \$3,443,740 on completed and in-process projects (\$2,224,740 by the end of December 2003 and \$1,219,000 during the period January 2004 – June 2004). The community matching contribution for all 89 in-progress projects is \$5,787,027 (which includes \$2,220,548 in land), or 174%.

The related management costs for the duration of the 24-month implementation period will be approximately 14% of the total program value, including the matching contributions.

As of June 30, 2004, PHOENIX had achieved the following results:

- 89 projects had been started (100% of Year 1 projects started and 100% of Year 2 projects), of which 59 were completed and 30 in-process;
- at least 500 hours had been invested in coordination and cooperation activities with the communities in all three locations;
- relationships with partners in all three locations had been strengthened;
- over \$3,300,000 of in-progress and completed work had been financed by USAID and over \$5.7 million works had been executed by the implementing partners as matching contributions;
- over 130,000 employment days had been created; and
- over 270,000 future beneficiaries had seen PHOENIX projects start up.

### **3. Activities Implemented**

#### **3.1 Gaza Projects**

The Al Zarqa neighborhood lacks major infrastructure in most areas, particularly in residential streets. Both USAID/CHF and the Gaza Municipality will pave roads and build sidewalks, construct and expand the water network, construct and expand the sewage network, and implement smaller activities that address road safety (e.g. traffic signs), public awareness, and the preparation of streets for further electricity connections.

The approach to the development of Al Zarqa neighborhood is a street by street one. Most of the upgrades will be carried out by USAID/CHF, some by the Gaza Municipality, area after area, once the municipality has asphalted the main roads through the entire Al Zarqa area. To address the educational and recreational needs of children, CHF, working via the municipality and local neighborhood committees, will assist NGOs in providing such services to the residents of the entire Al Zarqa neighborhood. ,

Completed and in-progress infrastructure activities are in line with this development approach. In the thirteen completed infrastructure projects (LT-1101, LT-1102, LT-1103, LT-1104, LT-1105, LT-1106, LT-1107, LT-1108, LT-1109, LT-1110, LT-1111, LT-1112 and LT-1131), road, water, sewage and public works infrastructure has been upgraded in fifty streets. Of the six in-process infrastructure projects, all from the 2004 workplan, (LT-1127, LT-1128, LT-1129, LT-1130, LT-1132, and LT-1133), on-the-ground work has begun to upgrade these services.

The community projects are also proceeding in accordance with the same development approach. Thirteen completed community projects in Gaza have allowed the rehabilitation of three schools and three youth clubs, the equipping of two kindergartens, the rehabilitation of one training room, and the implementation of five public awareness projects for women, children and the unemployed. The nine in-progress community projects in Gaza will construct a playground, rehabilitate and equip two kindergartens (Ala' Eddin and Al Zarqa Kindergartens), construct a library, rehabilitate 4 schools (Yaffa, Fahmi Al Jerjawi, Abdel Fatah Hmood and Al Mohatta Schools), upgrade one youth club (Greek Orthodox Church Youth Club), provide 5 summer camps in Al Zarqa area, and increase public awareness among children and women on topics such as environmental responsibility, protecting the newly upgraded infrastructure, and democracy and governance.

The Gaza Municipality, the main implementation partner for the infrastructure projects, is ahead of schedule with its share and activities worth well over \$1 million have been completed. In particular, Port Said Street, the major thoroughfare in the area, has been completely upgraded by the Municipality.

During the period under review, CHF faced a delay in the six infrastructure projects due to restrictions at Karni on the entry of construction materials into the Gaza Strip, particularly sewage pipes and wooden electricity poles. CHF contacted USAID about the issue and requested help in securing entry



for the required materials. Work on-the-ground came to a virtual stand-still on these projects for more than two months since no progress could be made without the necessary materials. USAID succeeded in facilitating the transport of two out of five containers of the pipes and poles, and work had resumed on the projects by the second week of July, 2004. LT-1113, a project to construct a playground on the premises of a local youth center, had been previously delayed due discussions and changes in the design between the youth center and the Municipality (who owns the plot of land on which the playground is being built). In the seventh quarter, work began at the site and progress is currently at about 70% completion.

During the period under review, the Municipality requested that CHF change LT-1137 "Painting Activities on Streets" into a public awareness project focusing on the protection of the newly upgraded infrastructure in Al Zarqa. In their request, the municipality cited both the lack of community awareness on how to properly use and protect the new services, and the high priority in preventing damage to the projects and promoting sustainability. As such, CHF converted the project into public awareness, which was warmly welcomed by the community.

Two additional projects were completed in Gaza during the seventh quarter, bringing the total number of completed projects in Gaza to twenty-six:

- LT-1101 "Rehabilitation of Streets 8, 15, 16, 16a, 16b"
- LT-1102 "Rehabilitation of Streets 9a, 9b, 9c, 19a, 17, 17a, 17b, 18a, 18b"
- LT-1103 "Rehabilitation of Streets 80, 76, 76-1, 76-2, 76-3"
- LT 1104 "Rehabilitation of Streets 12, 13, 77, 78, 79"
- LT 1105 "Rehabilitation of Streets 73, 73-1, 73-2"
- LT 1106 "Rehabilitation of Port Said Street"
- LT 1107 "Rehabilitation of Streets 3, 74"
- LT 1108 "Rehabilitation of Streets 18a, 18b, Mashahara 1, Mashahara 2"
- LT 1109 "Rehabilitation of Streets 73a, 73b, 73c, 73d"
- LT 1110 "Rehabilitation of Street 1"
- LT 1111 "Rehabilitation of Streets 1a, 1b, 1c, 1d, 1e"
- LT 1112 "Rehabilitation of Street 2"
- LT 1114 "Rehabilitation of Musa Bin Nusseir School"
- LT 1115 "Rehabilitation of Abdel Fatah Hmood School"
- LT-1116 "Rehabilitation of Fahmi Al Jerjawi School"
- LT-1117 "Rehabilitation of Toffah Youth Club"
- LT 1118 "Rehabilitation of Hilal Club"
- LT 1119 "Rehabilitation of Holst Peace Center"
- LT 1121 "Equipping 2 Kindergartens"
- LT 1122 "Public Awareness on Child Health and Safety"
- LT 1123 "Public Awareness on road safety, hygiene, life skills in 11 schools" (new)
- LT 1124 "Public Awareness/Workshops for the Unemployed"



- LT 1125 “Public Awareness/Workshops for Women”
- LT 1126 “Public Awareness Program”
- LT 1131 “Rehabilitation of Streets 3, 4, 4a, 9”
- LT 1143 “Rehabilitation Training Room”

The total value of completed projects in Gaza is \$2,595,179. USAID investment in completed Gaza projects is \$981,473, with a community matching contribution of \$1,576,822, or 165%. The majority of the Gaza match was generated by the Gaza Municipality. Land contributed to the projects amounted to \$96,500 of the match. This was produced from within the municipality’s own budget (construction works, designs, etc.) and was raised from international sources (largely from the European Union and the French Government).

By June 30, 2004, fifteen projects were in progress in Gaza:

- LT-1113 “Construction Playground”
- LT-1127 “Rehabilitation Street 5”
- LT-1128 “Rehabilitation Streets 6, 6a, 6b”
- LT-1129 “Rehabilitation Streets 6c-6j”
- LT-1130 “Rehabilitation Streets 7, 7a, 7b, 8, 8a, 10”
- LT-1132 “Rehabilitation Street 10”
- LT-1133 “Rehabilitation Street 11”
- LT-1135 “Rehabilitate and Equip 2 Kindergartens”
- LT-1135 “Creation Library”
- LT-1137 “Public Awareness”
- LT-1138 “Rehabilitation 3-4 Schools”
- LT-1139 “Child-to-Child Public Awareness”
- LT-1140 “Summer Camps for Youth”
- LT-1141 “Public Awareness training on democracy”
- LT-1142 “Upgrading youth club”

The total value of in-progress projects in Gaza is \$1,290,679. USAID investment in in-progress projects in Gaza is \$687,273, with a matching contribution of \$603,406. The Gaza Municipality, which provides the bulk of the match, has already executed all of its program obligations for this fiscal year.

Details of all projects, including photos can be found in the Project Reporting System (PRS) forms which are included in Annex I of this report.

## **3.2 Hebron Projects**

CHF and the municipality selected small areas throughout Hebron to be upgraded. The development objective is to rehabilitate roads and build sewage and waterworks, and/or sidewalks. Subsequent to USAID/CHF’s work, the infrastructure networks in the four target neighborhoods will have moved closer toward completion, and inhabitants will have a safer, cleaner environment.

During the period under review, the PHOENIX Hebron team worked to complete four projects. In the Annual Implementation Plan CHF planned 10 road paving projects to be completed in Hebron by the

end of December, 2003. In actuality, 7 were completed, with the three remaining almost complete. In the previous quarter (Quarter Six), the three were completed, bringing the PHOENIX program on-schedule in Hebron.

During the seventh quarter the last two projects from the 2003 work plan were completed (LT-1513 and LT-1518), both construction playground projects. Two road paving projects from the 2004 AIP were completed.

The four projects completed in Hebron during the period under review are:

- LT-1513 "Construction Playground"
- LT-1514 "Rehabilitation Al Shaabeh Road A"
- LT-1515 "Rehabilitation Al Shaabeh Road B"
- LT-1518 "Construction Playground"

The total value of completed projects in Hebron is \$2,328,365. USAID investment in completed Hebron projects is \$605,517, with a matching contribution of \$1,720,848, over 284%. This large matching contribution comes from land (\$1,099,309) and Hebron Municipality's construction works, designs and contribution of materials. The municipality's match was raised from national (Palestinian Water Authority) and international sources (largely from the World Bank).

Six projects were in-progress in Hebron by the end of the seventh quarter:

- LT-1516 "Rehabilitation Al Rameh Road"
- LT-1517 "Rehabilitation Wadi Al Harriyeh School Street"
- LT-1519 "Rehabilitation Two Schools" (Al Malek Khaled and Haj Taleb Schools)
- LT-1520 "Creation Library"
- LT-1521 "Summer Camps for Youth"
- LT-1522 "Painting Activities on Streets"

The total value of ongoing projects in Hebron is \$245,655. The USAID investment in these projects is \$167,455, with a matching contribution of at least \$78,200.

Details of all projects, including photos can be found in the Project Reporting System (PRS) forms which are included in Annex I of this report.

### **3.3 Nablus Projects**

In Al Juneid, CHF and its partners will develop an entire neighborhood to accommodate a substantial population growth. It is expected that there will be a huge influx of inhabitants such as city dwellers, students, and residents for the many newly constructed houses and apartments in the area.

USAID/CHF and the municipality will work to link the Al Juneid area to the municipal water system as a complement to the municipality's activities in construction and overall development of the area, road improvements and sewage network expansion. After the program, the overall infrastructure in Al Juneid will improve in quality and in coverage of the population. Infrastructure will also be able to handle the expected increase in population in this rapidly developing area.

During the period under review, CHF and the municipality closely cooperated to complete more projects. Per June 30, 2004, six additional water projects were completed (LTs-1706, -08, -09, -10, -11, -15, -21, and -22). One water project remains in-process (LT-1712). This project has taken longer than expected to implement due to the extensive excavations and road widening by the municipality which were necessary to accommodate CHF water lines. PHOENIX is basically on-schedule in

Nablus with a total of 17 projects completed by June 30, 2004, whereas 12 were foreseen in the Annual Implementation Plan.

Eight additional projects were completed in Nablus during the period under review bringing the total number of completed projects to seventeen per June 30, 2004:

- LT-1701 "Construction of an 8" Conveying Line from Ein Beit Ilma Pumping Station to Al Juneid Reservoir through Rafidia (Phase I)"
- LT-1702 "Construction of an 8" Conveying Line from Ein Beit Ilma Pumping Station to Al Juneid Reservoir, through Rafidia (Phase II)"
- LT-1703 "Construction of an 8" Conveying Line from Ein Beit Ilma Pumping Station to Al Juneid Reservoir, through Rafidia (Phase III)"
- LT-1704 "Construction 6" Pipeline Al Juneid Reservoir – Al Tor Reservoir, Stage 1"
- LT-1705 "Construction 6" Pipeline Al Juneid Reservoir – Al Tor Reservoir, Stage 2"
- LT-1706 "Construction 6" Pipeline Al Juneid Reservoir – Engineering Complex"
- LT-1707 "Construction Pipeline Al Makhfiyyeh – Rafidia (Phase I)"
- LT-1708 "Construction Pipeline Al Makhfiyyeh – Rafidia (Phase II)"
- LT-1709 "Construction Pipeline Al Makhfiyyeh – Rafidia (Phase III)"
- LT-1710 "Installation Pipeline Sara & Beit Wazan (Phase I)"
- LT-1711 "Installation Pipeline Sara & Beit Wazan (Phase II)"
- LT-1713 "Rehabilitation Al Juneid Elementary School"
- LT-1714 "Construction Kindergarten"
- LT-1715 "Construction Playground"
- LT-1716 "Rehabilitation youth/women's center"
- LT-1721 "New Potable Water Network"
- LT-1722 "Construction Pipeline Al Makhfiyyeh"

The total value of the completed projects is \$2,191,245. USAID invested \$680,216, with a matching contribution of \$1,511,029, over 222%. The match was produced from donation of land by the municipality (\$844,240) municipal budgets (construction, land, designs, and other) and international sources (largely German Government).

Per June 30, 2004, nine projects were ongoing in Nablus :

- LT 1712 "Installation Pipeline Sara – Beit Wazan (Phase III)"
- LT-1717 "Rehabilitation Road to the Reservoir"
- LT-1718 "Construction Playground"
- LT-1719 "Rehabilitation Road Ala' Eddin"
- LT-1720 "Creation Library"
- LT-1723 "Rehabilitation Al Juneid Main Road"
- LT-1724 "Painting Activities on Streets"
- LT-1725 "Child-to-Child Public Awareness"
- LT-1726 "Summer Camp"

The total value of ongoing projects in Nablus is \$456,045. USAID investment amounts to \$196,2057, with a matching contribution of \$259,838 (of which, \$144,500 is land).

Details of all projects, including photos can be found in the Project Reporting System (PRS) forms which are included in Annex I of this report.

### 3.4 Value of Projects

For the period under review, the total value of the 89 projects initiated to date was \$9,107,168, of which USAID contributed \$3,320,141 and the community leveraged \$5,787,027 (including \$2,220,548 in land) in matching contributions.

The \$5,787,027 in matching contributions leveraged represents approximately 174% of the current USAID investment of \$3,320,141. Without land the matching contribution, is \$3,566,479 or 107%.

CHF calculates matching contribution on a continual basis, only finalizing the match on any particular project after it has been completed. Matching contributions on projects for which USAID/CHF's part has been completed can still continue leading to some adjustments in the calculations of the match. In the work plan submitted to USAID in January, 2003, CHF estimated matching contribution of at least 103% (for all projects). During the period under review, the percentage of matching contribution has grown to 174% for completed and in process projects.

The match on completed projects (including projects completed in 2003 and 2004) alone is \$4,845,583 and has thus grown to 220%. This figure is much higher than the USAID suggested minimum of 25% or the agreed percentage of 62% in the award. The breakdown of the match on the completed projects per source is as follows:

- participating communities (including municipalities, NGOs, other local stakeholders) contributed matches without land of \$457, 658 or 20% of the USAID investments;
- participating communities contributed also matches in land amounting to \$2,040,049 or 90% of USAID investments; so the total match of communities was 107%;
- CHF and the communities leveraged matching contributions from Palestinian Authority institutions (line ministries, PWA, PECDAR, PAJCP, etc.) amounted to \$1,180,454 or 52% of USAID investments; and
- CHF and the communities leveraged matching contributions from other donor organizations amounted to \$1,239,927 or 55% of USAID investments.

The breakdown in relative terms (i.e. percentages of the total matching contributions) for the completed projects per June 30, 2004 is as follows:

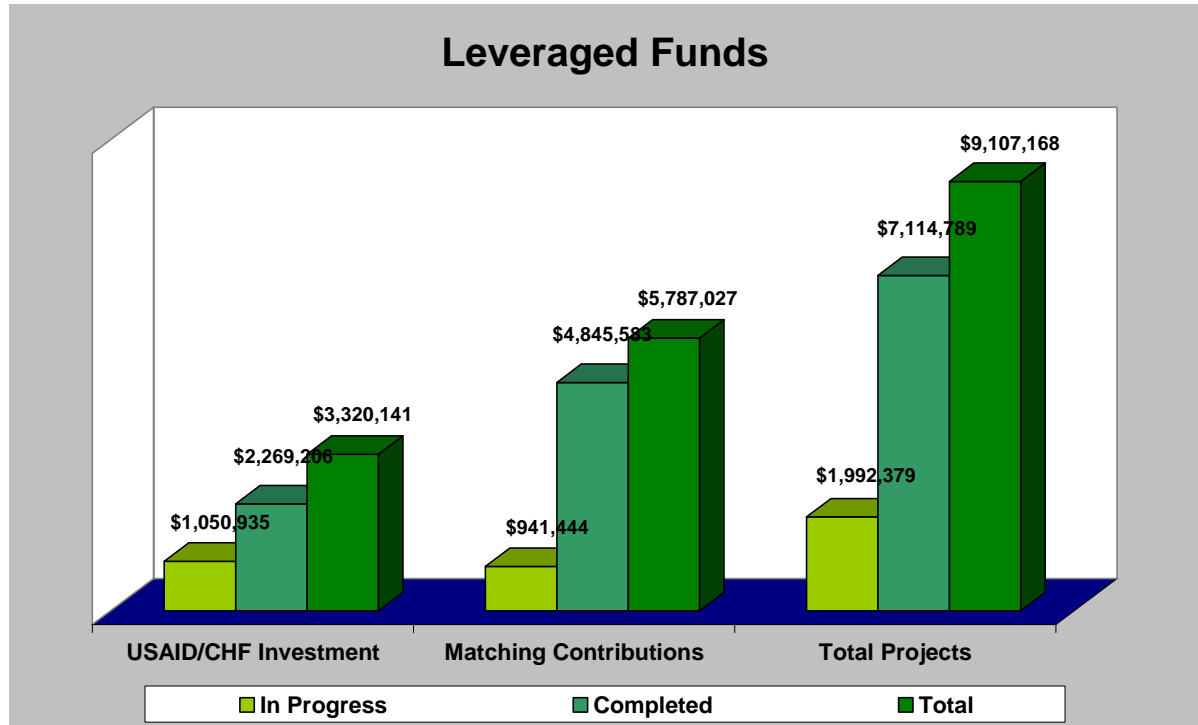
- participating communities (including community members, NGOs, other local stakeholders) contributed over 9% of all total matching contributions;
- other donor organizations contributed 26% of total matching contributions;
- Palestinian Authority institutions (line ministries, PWA, PECDAR, PAJCP,<sup>1</sup> etc.) contributed 24% of total matching contributions; and
- Land value amounted to 41% of total matching contributions.

In greater detail, this breakdown is as follows:

Type of Organization	Value of Match	Percentage of Matching Contributions	Percentage of USAID Investments
Communities, Municipalities, and NGOs (excluding land)	\$457,658	9%	20%
International Donors (other than USAID)	\$1,239,927	25%	55%
Palestinian Authority, Line	\$1,180,454	24%	52%

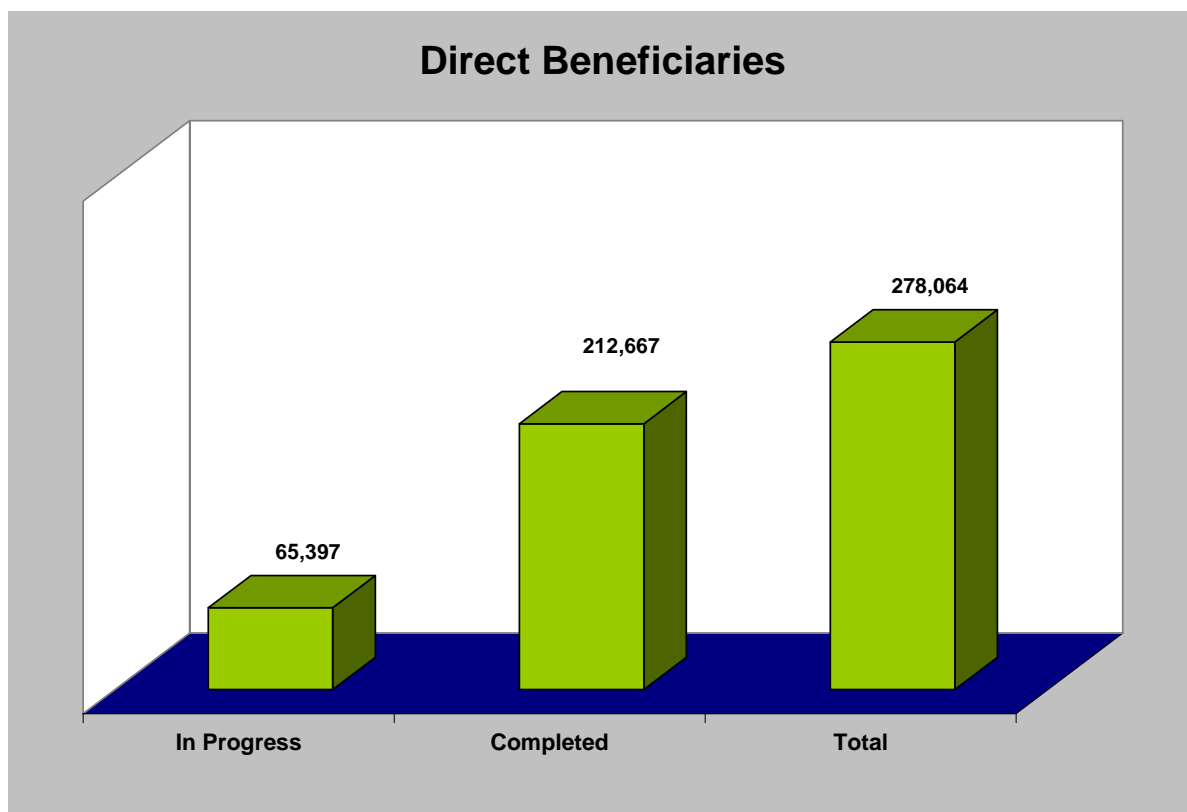
<sup>1</sup> Palestinian Water Authority (PWA), Palestinian Economic Council for Development and Reconstruction (PECDAR), and Palestinian Authority Job Creation Program (PAJCP).

Ministries & PECDAR			
Communities/Municipalities/NGOs: (land value only)	\$1,967,544	41%	87%
<b>Total</b>	<b>\$4,845,583</b>	<b>100%</b>	<b>214%</b>



### 3.5 Beneficiaries

Beneficiary figures are tracked for each project. For the 89 initiated projects, there are combined a total of 278,064 direct beneficiaries.



### 3.6 Projects by Geographic Area

The Program Reporting System “PRS” attached in Annex 1 to this report describe each completed project in detail, arranged by geographical area. The PRS also provides a complete neighborhood/community profile for each of the three program areas.

Of the 89 initiated projects:

- 26 projects have been completed in Gaza City, with a total project value of \$2,595,179; USAID’s investment in this is \$981,473 the matching contribution is \$1,576,822; there are 68,159 beneficiaries; and 45,125 employment days have been generated.
- 15 projects are in progress in Gaza City, with a total project value of \$1,290,679; USAID’s investment in this is \$687,273; the matching contribution is \$603,406; there are 35,127 beneficiaries and 22,133 employment days are being generated.
- 16 projects have been completed in Hebron City, with a total project value of \$2,328,365; USAID’s investment in this is \$607,517; the matching contribution is \$1,720,848; there are 46,648 beneficiaries and 30,110 employment days have been generated.
- 6 projects are in progress in Hebron City, with a total project value of \$245,655. USAID’s investment in this is \$167,455; \$78,200 in matching contributions has been leveraged; 9,950 people are benefiting; and 5,130 employment days have been generated.
- 17 projects in Nablus have been completed, with a total project value of \$2,191,245; USAID’s investment in this is \$680,216; the matching contribution is \$1,511,029. There are 158,131 beneficiaries and 22,344 employment days were generated.
- 9 projects are ongoing in Nablus, with a total project value of \$456,045; USAID’s investment is \$196,207; \$259,838 in matching contributions have been leveraged; 20,320 people will benefit from these projects, and 5,359 employment days are being generated.

### **3.7 Projects by Activity Code**

PHOENIX plans to implement a total of approximately 92 projects. As of June 30, 2004, eighty-nine projects were to have been initiated. CHF requested USAID approval to implement the three extra projects. Of the 89 projects currently being implemented, the following are applicable (in order of value size):

#### **3.7.1 SO8-A051 Road Paving**

The total value of the road activities to date equals \$3,933,243, of which USAID investment is \$1,817,541. An even higher amount of \$2,115,693 (116%) in matching contributions has been leveraged. 192,390 people benefit from these investments. 65,518 employment days have been generated at a cost of \$60 per day, of which USAID paid \$27. The USAID cost is low due to the large matching contributions. In other words 17% of the total investments in road paving goes directly into labor, and as a result of high matching contributions, 36% of USAID investments result directly in labor, an important element of a program funded under USAID WBG's JOBS program.

#### **3.7.2 SO8-A041 Constructing Water Network**

The potable water supply network activities to date represent a total project value of \$2,565,251, of which USAID investment is \$809,971. A large amount of \$1,755,280 (68%) in matching contributions has been leveraged. 168,075 people benefit from these investments. 34,072 employment days have been generated at a USAID cost of \$24 per day. The USAID cost is low due to the large matching contributions; in these projects a day costs \$75. In other words, 13% of the total investments goes into labor, and as a result of high matching contributions 42% of the USAID investments result in labor.

#### **3.7.3 SO8-A042 Constructing Sewage Network**

The sewage network activities to date represent a total project value of \$982,332, of which USAID investment is \$284,663. A much higher amount of \$697,669 (245%) in matching contributions has been leveraged. 81,400 people benefit from these investments. 17,990 employment days have been generated at a cost of \$55 per day of which USAID paid \$16 per day. The USAID cost is low due to the large matching contributions. In other words, 18% of the total investments in sewage projects goes directly into labor, and as a result of high matching contributions 63% of the USAID investments result in labor.

#### **3.7.4 SO8-A011/12 Rehabilitation of Schools**

The school rehabilitation activities to date represent a total project value of \$288,200, of which USAID investment is \$102,091. A large amount of \$186,109 (182%) in matching contribution has been leveraged, mainly in land. 9,229 pupils benefit from these investments. 3,539 employment days have been generated at a USAID cost of \$29 per day. The USAID cost is low due to the large matching contributions: in these projects a day costs \$81, mainly as a result of the many supplies and land contributions rather than expensive construction works. In other words 12% of the total investments goes into labor, and as a result of high matching contributions not less than 35% of the USAID investments result in labor.

#### **3.7.5 SO8-A021 Construction/Renovation of Facilities for Youth (playgrounds, clubs, etc).**

The construction or renovation of facilities for youth (such as playgrounds and youth centers) to date represent a total project value of \$578,470, of which USAID investment is \$138,526. A large amount of \$403,059 (290%) in matching contribution has been leveraged. 36,650 people benefit from these investments. 4,203 employment days have been generated at a USAID cost of \$33 per day. The USAID cost is low due to the large matching contributions: in these projects a day costs \$138, mainly as a result of the land contributions. In other words 7% of the total investments goes into labor, and as a result of high matching contributions not less than 31% of the USAID investments result in labor.

#### **3.7.6 SO8-A013/17 Construction/Rehabilitation and Equipping of Kindergartens**

The construction or renovation and equipping of kindergartens to date represents a total project value of \$145,792, of which USAID investment is \$36,809. A large amount of \$108,983 (296%) in matching



contribution has been leveraged. 2,230 people benefit from these investments. 1,613 employment days have been generated at a USAID cost of \$23 per day. The USAID cost is low due to the large matching contributions: in these projects a day costs \$90 per day, mainly as a result of the many supplies and land contributions rather than expensive construction works. In other words, 11% of the total investments go into labor, and as a result of high matching contributions not less than 44% of the USAID investments result in labor.

### **3.7.7 SO8-A015, -023, -044, -063, and -91 Public Awareness Activities**

The public awareness activities to date represent a total project value of \$98,913, of which USAID investment is \$70,102. \$28,811 (41%) in matching contributions has been leveraged. 7,320 people benefit from these investments. 1,747 employment days have been generated at a USAID cost of \$40 per day. An employment day in these projects costs \$57 including matching contributions.

### **3.7.8 SO8-A083 Other Infrastructure (Libraries)**

The library activities to date (under SO8-A083 "Construction/Improvement of other infrastructure") to date represent a total project value of \$179,500, of which USAID investments are \$116,000. \$63,500 (55%) in matching contributions has been leveraged. 3,260 people benefit from these investments, and 1,900 employment days have been generated at a USAID cost of \$61. An employment day in these projects costs \$94 total including matching contributions.

### **3.7.9 SO8-A095 Community Information Meetings**

The community information activities to date represent a total project value of \$69,699, of which USAID investment is \$26,103. A large amount of \$43,596 (167%) in matching contributions has been leveraged. 18,188 people directly benefit from these investments, over 30,000 indirectly. 880 employment days have been generated at a USAID cost of almost \$30 per day. The USAID cost is low due to the large matching contributions: in these projects a day costs \$79 in total. In other words 13% of the total investments goes into labor, and as a result of high matching contributions 34% of the USAID investments result in labor.

## **4. Other Related Activities**

### **4.1 Coordination with Local Communities and Partners**

During the seventh quarter, the community participation team continued to work closely with the community and stakeholders. Existing relationships with partners were strengthened through cooperation on project implementation and preparations for completion and close-out of projects. In all areas, the teams closely cooperate with neighborhood committees, local organizations and groups representing the target populations. Direct contact with the community members themselves, through community meetings and training activities, is a cornerstone of CHF's development strategy. Community involvement in the PHOENIX program grows on a weekly basis as CHF's commitment to the communities it serves becomes more apparent through its highly participatory development approach. Organizations and community groups approach CHF in the spirit of cooperation, wishing to contribute to the PHOENIX program by organizing their own activities in its program areas.

During the period under review, the community participation team spent over 500 hours conducting various coordination activities with local partners and community members. During these hours, the community participation team:

- visited approximately 11 schools and kindergartens in the three areas to discuss ongoing projects,
- conducted or facilitated 13 training courses and workshops for over 1,515 beneficiaries in all areas combined, and
- started up the remaining 6 community projects from the 2004 AIP, and held 52 community meetings in all three locations combined to discuss projects' implementation, follow-up, and mobilization of matching contribution.

#### **4.1.1 Community Participation in Gaza**

The community participation team worked hard cement cooperation between CHF, the municipality, neighborhood committees, local NGOs working in Al Zarqa and the community. CHF has cultivated strong ties to the neighborhood committee and other representative community structures in the area. The community has shown enthusiasm and support for USAID/CHF projects in the area, and has actively participated in community meetings and public awareness sessions.

Important achievements of CHF's Gaza community participation team during the period under review are outlined below:

- completed 1 additional project to rehabilitate a community training room;
- conducted more than 150 hours of coordination and follow-up with local partners; and
- prepared for the implementation of 5 summer camps in Al Zarqa.

#### **4.1.2 Community Participation in Hebron**

CHF's Hebron community participation team was active during the period under review, cementing relationships with local community members through community meetings and training courses. The team worked intensively with the communities living on or near USAID/CHF rehabilitated streets, to increase participation in projects. PHOENIX also continued responding to community request for workshops and training in subjects such as environmental awareness, road safety, and conducting summer camps.

Important achievements of the Hebron community participation team during the period under review are outlined below:

- conducted 20 community meetings for 165 residents of the target neighborhoods;
- mobilized more than 60 volunteers from the target neighborhoods to participate in the painting project and volunteer as leaders in the summer camps;
- conducted and/or facilitated 138 hours of training and awareness sessions on various topics for 475 beneficiaries.

#### **4.1.3 Community Participation in Nablus**

CHF's community participation team has been very active in Al Juneid and has gained the trust and full cooperation of community members and representatives. As a rapidly growing area, Al Juneid is lacking in community infrastructure as well as development infrastructure. During assessments, the community expressed a number of needs, which CHF/USAID is addressing through its projects. In particular, the community in the old village of Al Juneid identified the need to upgrade the internal water network to serve the area, as well as rehabilitate roads. They identified the main road which leads to the elementary school as particularly important.

Other important achievements of the Nablus community participation team during the period under review are outlined below:

- conducted 24 community meetings for 350 community members;
- organized implementation of the summer camp for more than 300 children; and
- mobilized more than 25 volunteers from Al Juneid to participate in the painting project.

### **4.2 Employment Generation**

The employment generation component of PHOENIX is extremely important. In the proposal, CHF estimated that the PHOENIX program will generate over 129,000 employment days for all projects. It is estimated that 130,201 employment days are being or have been generated by the 89 initiated projects.

Final calculations on employment days generated by these and other projects will be done on an ongoing basis as activities are completed.

Thanks to the high matching contribution, USAID and CHF have been able to generate a high number of labor days at a relatively low cost. The works jointly financed by USAID and the participating municipalities have produced or are producing approximately 130,000 employment days at a total cost of approximately \$6,886,620 (not including matching land value). An average labor day therefore costs almost \$53 per day. Because of the high match, USAID spends only \$26 per labor day in all PHOENIX works.

In other words, USAID's \$3,320,141 investment in initiated projects has triggered 130,201 labor days, which means that the value of the labor days (\$1,270,000 minimum) is over 39% of USAID's investment.

In addition to the direct employment during construction, there are a considerable number of long-term jobs created as a result of building the new services and infrastructure.

In Gaza: as reported last quarter, the number of staff in the municipality maintenance department doubled following the completion of four USAID/CHF projects. The municipality hired 8 new employees (bringing the total to 16) in the maintenance department due to the CHF projects which increased the need for more staff to repair and maintain the new infrastructure, as well as collect taxes. During the quarter under review, as a result of the 2004 USAID/CHF projects starting-up, the municipality advertised to hire an additional 2 site engineers and 4 foremen for six months to follow these projects. Thus, to date, the total number of new staff hired by the Gaza Municipality to supervise USAID/CHF projects is fourteen. For the community projects, three new animators were contracted for one year to conduct new activities after a USAID/CHF rehabilitated a youth center in Gaza. Thus, in Gaza, PHOENIX has helped to create at least 17 long-term jobs.

In Hebron, two new staff were employed after the completion of the project LT 1512 as permanent staff in the women's and youth centers. The Hebron Municipality reports that because of the high level of matching work done by their city engineering and water departments, they are able to keep workers employed longer-term who were previously hired through short-term job creation programs. At least 7 workers have been employed longer-term by the municipality as a direct result of CHF projects in Hebron. In total, PHOENIX has helped to create at least 9 long-term jobs in Hebron.

In Nablus, one new staff person was employed long-term after USAID/CHF rehabilitation of a local kindergarten. In the Al Juneid women's center, the intention is to employ a permanent staff person in the near future. Due to the high level of matching work from the Nablus Municipality, a number of employees whose contracts would have been terminated (because the municipality had no work for them to do) were kept on. In the water department alone, 8 staff (4 supervisors and 4 engineers) are employed long-term to work on USAID/CHF projects. The municipality also reports that some workers in the engineering department were given contracts because of CHF projects, but did not provide a specific figure. Thus, in Nablus alone, CHF PHOENIX projects have helped to create at least 10 long-term jobs.

## 5. Obstacles and Constraints

The major obstacle encountered in the seventh quarter was the import restrictions in Gaza. Border closures meant that infrastructure projects in Al Zarqa came to a virtual stand-still for more than two months. CHF contacted USAID regarding the difficulties in importing construction materials, particularly sewage pipes and wooden electricity poles into Gaza. USAID was successful in coordinating the entrance of most of the required materials by the second week of July, 2004. The material import difficulties have caused some delay in implementation of these projects. However, CHF is confident that they can be completed by August 31, 2004, before the program end date of September 30, 2004..

## 6. Detailed Project Descriptions

Details on the progress of completed and in-progress projects are provided in Annex 1 to this report. The data is sorted by community and by indicator. Per project details arranged in historical order of identification are also provided. The Project Reporting System produces this annex, developed by CHF Lebanon and utilized by USAID Lebanon.

## **ANNEX 1 Project Reporting System Reports**